
South Dakota Department of Health WIC Retailer Management Handbook

Effective April 2007



*This booklet was developed
specifically to explain the retail responsibilities
of the WIC Program*

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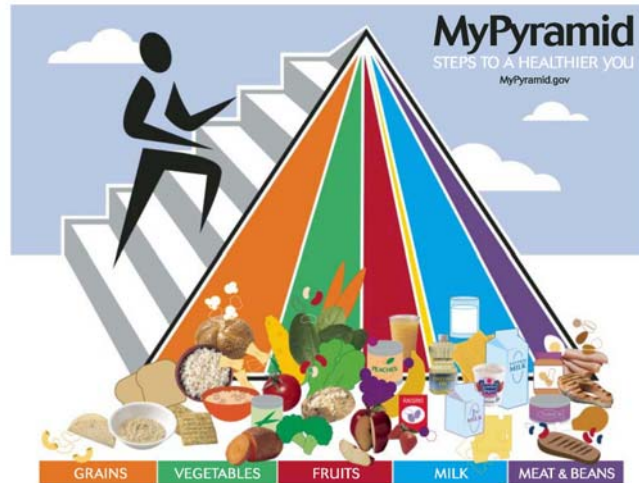
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Introduction

The Special Supplemental Nutrition Program for Women, Infants, and Children, commonly known as WIC, is a cost effective nutrition intervention program with demonstrated success in improving the health and nutritional status of women, infants, and children. WIC is a Federally funded USDA Program operating in all 50 states and is administered in South Dakota by the Department of Health. WIC Program services are provided throughout the state by field offices and cover three distinct areas:

1 WIC provides supplemental foods to participants. These foods are recommended specifically to improve each participant's diet.

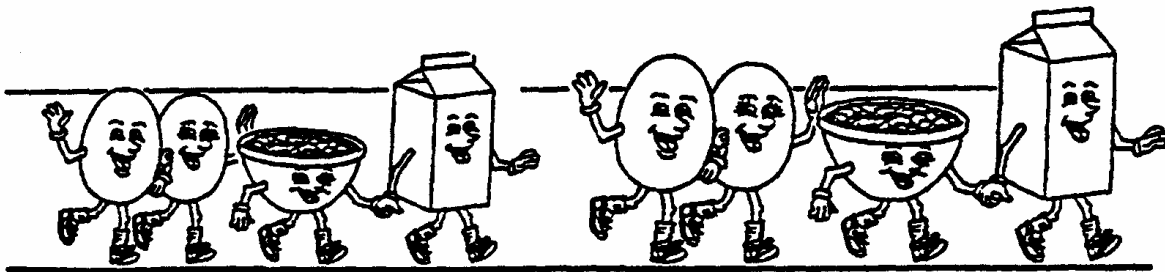
2 WIC provides nutrition education to help participants learn how to maintain a healthy diet.



3 The WIC Professional staff assists participants in receiving regular medical care. Staff members encourage pregnant women to receive prenatal care, and infants and children to receive routine checkups and immunizations.

The WIC Program is open to pregnant women, breastfeeding women, postpartum women, infants (0-12 months), and children up to age five whose health is threatened by both nutritional need and limited income. After being accepted into the program, participants receive instruction on all aspects of the program including how to shop and pay for their WIC foods.

The WIC Program is different from other government programs like Food Stamps. Food Stamps are intended to establish a basic diet. WIC food is intended to supplement the diet with foods that are rich in nutrients and provide nutrition education to improve the health status and foster long term benefits from the education and foods received. For example, WIC cereals must be fortified with iron and have limited amount of added sugar. Juices must be 100% pure juice and provide Vitamin C. There is never any cash exchanged when WIC checks are used and they can only be used for foods specified on the check.



There are 12 types of food that WIC participants may purchase depending on their nutritional needs. All WIC foods must meet federal regulations for that food. For this reason, the WIC Program may specify a brand, a size package or impose restrictions on purchasing certain types of a food. WIC foods include: milk, cereal, juice, cheese, eggs, dried beans and peas, peanut butter, carrots, tuna, infant cereal, infant juice, and infant formula.

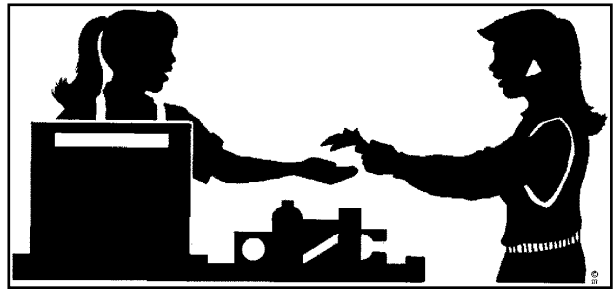
Retailers Role in WIC



WIC retailers are critical partners in the delivery of WIC benefits. Each month, WIC participants receive WIC checks, which contain a “food prescription” designed to meet their specific nutritional needs. The retail clerk helps fill that food prescription by making certain the WIC customer receives exactly what foods are specified.

In providing this service, WIC authorized retailer's play an important role in helping to improve the health of women, infants, and children in South Dakota. The retailers act as the final service step in the WIC process.

Since the nutritious WIC foods are designed to promote the healthiest possible birth outcomes, growth and development of children, the retailer's role in the program is a vital one. The integrity of the transaction between a WIC retailer and a WIC customer is essential. It is only when WIC checks are exchanged for the specified foods that the desired dietary supplementation can be achieved. The positive way in which the WIC customer is treated by the retailer enhances the benefits received from being on the WIC Program.



WIC Retailer Management

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Retailer Program Requirement

Retailers, who wish to accept South Dakota WIC checks must complete an application process, meet the following requirements and be approved to take WIC checks. A WIC Application Form and Acceptable WIC Foods Price List must be submitted to the State WIC Office to begin the process. The retailer agreement indicates the selection criteria that will be used and the stocking requirements that will be reviewed prior to WIC authorization of a retailer.

STOCKING REQUIREMENTS

The Retailer agrees to routinely stock the following varieties and minimum quantities of WIC approved foods as specified on the WIC Food Shopping Guide. Refer to the Retailer Management Handbook page 9, Section I. Retailer Responsibilities (A) details all stocking requirements to be a WIC authorized retailer.

Current WIC Infant Formula on Contract:

<i>MEAD JOHNSON</i>		
FORM	SOY BASED	MILK BASED
	ProSobee LIPIL	Enfamil LIPIL
Powdered	12.9 oz.	12.9 oz.
Liquid Concentrate	13 oz.	13 oz.
Ready-to-Feed	32 oz.	32 oz.

EXCEPTION: Infant Formula, Infant Cereal and Infant Juice

Retailers who do not have any infants on the WIC Program that utilize their store may contact the State WIC Office to request an exception to the stocking requirement. If granted an exception, the retailer must be able to supply the infant formula, infant cereal and/or infant juice within 24-48 hours if a request for these WIC food items is received from a participant. If the retailer is unable to supply the infant formula, infant cereal or infant juice within the 24-48 hour time frame, the retailer must contact the State WIC Office to request an exception be made to extend the time frame to within five (5) days. The State WIC Office will make a determination if an exception can be granted in all cases. The retailer will then either be issued an Exception Form or be given notice that they must meet the stocking requirements.

CHECK TRANSACTIONS

The Retailer agrees to provide supplemental foods to program participants only upon receipt of a properly completed check and check transaction. To properly transact a check refer to the Retailer Management Handbook, page 9 Retailer Agreement: Section I. Retailer Responsibilities (B).

SELECTION CRITERIA

- A food Retailer must be a stationary location with a business address in the State of South Dakota.
- No Retailers will be enrolled outside the boundaries of the State.
- A food Retailer must be Food Stamp authorized.
- If food Retailer does not have current Food Stamp authorization, they must have applied for one at time of application.
- If food Retailer is Food Stamp authorized and then later denied, the Retailer Agreement with Program will be terminated for cause.
- The store must be primarily a Retailer of groceries (full-service grocery store) rather than of other merchandise such as gasoline, beverages or snack foods. A grocery Retailer is defined as a single store operated by a business entity which routinely stocks the following items: milk and cheese, hot and cold cereals, fresh and frozen meats, poultry or fish (prepackaged luncheon meats do not qualify), fresh fruits, fresh vegetables and canned and frozen vegetables, canned and frozen juice, eggs and breadstuffs. Each store owned by a business entity must be authorized separately and meet the following requirements.
 - Must stock the following quantities of products in each food group. For canned, fresh and frozen fruits and vegetables, a “case” is considered to be a minimum of twelve (12) cans or packages:
 - **Fresh Produce:** Minimum of three (3) pounds each of at least four (4) varieties of vegetables listed. Choices may include broccoli, cabbage, carrots, cauliflower, celery, corn on the cob, green beans, lettuce, onions, bell peppers, squash, tomatoes, turnips, zucchini, sweet potatoes and potatoes
 - **Fresh Fruits:** Minimum of three (3) pounds each of at least four (4) of the following: oranges, pears, apples, bananas, grapes and grapefruits.
 - **Frozen Vegetables:** Minimum of one (1) case each vegetable, minimum of four (4) varieties of the following: mixed vegetables, corn, corn on the cob, peas, broccoli, carrots, cauliflower, green beans and spinach.
 - **Frozen Fruits:** Minimum of one (1) case of each fruit, minimum of two (2) varieties

of the following: strawberries, peaches, blueberries, mixed fruit, blackberries and mixed berries.

- **Fresh and Frozen Meats and Poultry:** Minimum of five (5) pounds per variety of meat, minimum of three (3) varieties of beef, pork, poultry and/or fish. Deli meats and link sausage do not apply.
 - **Canned Fruits:** Minimum of one (1) case of each fruit, minimum of three (3) varieties of the following: peaches, pears, pineapple, mixed fruit and fruit cocktail.
 - **Canned Vegetables:** Minimum of two (2) cases of each vegetable, minimum of three (3) varieties of the following: peas, green beans, corn (cream or niblet), beets, carrots, spinach or other beans.
 - **Breadstuffs:** Minimum of nine (9) loaves of bread in at least two (2) varieties and/or brands.
- Dairy products, cheese, cereals, juices, infant formula, and other WIC approved foods must meet minimums required. Please see WIC Retailer Management Handbook for more details.
- Each Retailer making initial application will be assessed to determine whether it is expected to derive more than 50 percent of its annual revenue for the sale of food items from WIC checks.
 - Any Retailer applicant who expects to derive more than 50 percent of its annual revenue for the sale of Food Stamp eligible food items from WIC checks will not be authorized unless it is necessary to assure participant access to program benefits and Food and Nutrition Services (FNS) pre-approves the new store's authorization.
 - Any newly authorized store (initially authorized after December 8, 2004), will be terminated if, after initially qualifying, later derives more than 50% of its annual revenue for Food Stamp eligible food sales from WIC, unless it is necessary to assure participant access to program benefits and Food and Nutrition Services (FNS) approves allowing the store to remain authorized.
 - Any authorized Retailer who is expected to derive more than 50% of its annual revenue from Food Stamp eligible foods must not provide incentive items or other free merchandise except as described below:

- Merchandise obtained at no cost to the Retailer and provided to participant without charge, or sold to participants at or above cost, subject to documentation.
- Food of nominal value and merchandise of nominal value, i.e. having a per item cost of less than \$2.00.
- Food sales and specials which involve no cost or only a nominal value (less than \$2.00) for the Retailer regarding the food items involved and do not result in a charge to a WIC check for foods in excess of the foods listed on the check.
- The WIC acronym or logo must not be used on any incentive item.

COMPETITIVE PRICE CRITERIA

- All Retailers will be held to competitive prices within their assigned peer group. Shelf prices will be collected quarterly and then averaged per peer group per food item. If the Retailer shelf prices are determined to be above the maximum allowed, the Retailer will be notified and must reduce prices to the average of the peer group identified or will not be authorized as a WIC Retailer.
- A Retailer shall charge a price to WIC participants that is equal to or less than the price charged to all other customers.
- The price charged to WIC participants for the average of all WIC items, as reported on the application, at the time of on-site review and throughout the Agreement period, shall not exceed 15-30% of the average prices of all other WIC Retailers in the same peer group.
- Peer Groups are defined by total annual food sales, population density and the type of store (chain, independent, convenience, etc)
- The Retailer's average price for any category of WIC items, as reported on the application, at the time of the on-site review and throughout the Agreement period, shall not exceed 15-30% of the average for the same category by all other WIC Retailers in the peer group. For purposes of making the price comparisons, the average price for all other WIC Retailers in the peer group shall be computed from the most recent Price List Sheet on file from those Retailers. If a Retailer intends to comply with this provision by charging WIC participants a lower price than the price charged to other customers, the WIC price for each approved item must be identified on the package or shelf front.

- The Retailer must not have a Food Stamp Program disqualification period or civil monetary penalty imposed within the 12 months preceding the date of the application. Permanent disqualification from the Food Stamp Program makes a Retailer ineligible for WIC authorization consideration.
- The Retailer must not have had a WIC Program suspension imposed or a WIC application denied within the last month preceding the date of the application.
- The current owner(s), officers or managers must not have had a criminal conviction or civil judgment against them in the last six (6) years.
- A Retailer must maintain business hours of at least 8 hours per day, 6 days per week for appropriate participant access. Exception would be made only if no other store is in the area and participant access would be a hardship.
- A minimum of one Retailer for each clinic service area will be authorized by the State WIC office to ensure participant access and convenience unless there is a lack of retail outlets that meet the selection criteria or Retailers choose not to participate.
- A Retailer must maintain satisfactory sanitary conditions to assure food product quality and refrigeration of a maximum of 40 degrees.
- A Retailer must agree to serve WIC participants equally, regardless of race, color, national origin, age, sex or disability.
- The Retailer must accept training on WIC Program regulations prior to signing an Agreement and must agree to provide training to all employees who will handle WIC checks prior to accepting any checks.
- The Retailer must agree to adhere to all the provisions of the WIC Retailer Agreement, "Retailer Management Handbook" and "Cashier's Training Handbook".

South Dakota WIC Retailer Agreement

A Retailer who has been approved for authorization will enter into an Agreement with the South Dakota Department of Health to participate in the Special Supplemental Nutrition Program for Women, Infants and Children.

After the Retailer Agreement has been verbally reviewed, it will be signed by the owner or designate of the store and the WIC Program. Any change in ownership or sale of business during the effective period of the Agreement will render it null and void. The WIC Program's Retail Management Office must be informed immediately of a change in store management, ownership change or cessation of operation, or relocation.



Each Retailer is assigned and issued a unique four digit identification number and ID rubber stamp. WIC stamps will be provided to Retailer at no cost. No store should use a Retailer stamp not issued by the WIC Program without prior approval.

Each WIC check accepted at a store must have the identification number stamped on it before being deposited at the bank.

The Retailer Agreement will expire at least every three years. Retailers wishing to continue authorization as a WIC retailer must complete the application process prior to the expiration of their Agreement. A Retailer must meet the selection criteria at each application in order to be authorized as a WIC Retailer. Expiration of the Retailer Agreement is not subject to appeal.

SOUTH DAKOTA DEPARTMENT OF HEALTH

WIC PROGRAM RETAILER AGREEMENT

Retailer Name	Retailer Representative	Phone
Street	City	County
	State	Zip
		WIC Retailer #

This AGREEMENT is entered into with the South Dakota Department of Health, (referred to as the DEPARTMENT) to participate in the Special Supplemental Nutrition Program for Women, Infants, and Children (referred to as the PROGRAM) by the above named retail food outlet (referred to as the RETAILER) for the purpose of providing supplemental foods to eligible persons under the WIC Program.

This Agreement is valid for the period of _____ through _____. Neither PROGRAM nor RETAILER has an obligation to renew this Agreement after the expiration date. Retailer must reapply at agreement expiration to continue authorization and DEPARTMENT must provide RETAILER at least 15 day advance notice of agreement expiration. This agreement does not constitute a license or a property interest.

I. RETAILER RESPONSIBILITIES:

- A. The Retailer agrees to routinely stock the following varieties and minimum quantities of WIC approved foods as specified on the WIC Approved Food List. Failure to meet these stocking requirements during this agreement period may cause this Agreement to be terminated.
 1. Minimum Stocking Requirements for Infant Foods are as follows:
 - 9 cans of the standard contract powdered infant formulas in the 12.9 ounce size, either soy or milk based;
 - Or 24 cans of the standard contract liquid formulas in the 13 ounce size, either soy or milk based.
 - The retailer agrees to stock other brands of formula on an as needed basis. Infant formula must be purchased only from a wholesaler, distributor, or retailer on PROGRAM'S approved list.
 - 12 4-ounce bottles of approved infant juice;
 - 16 ounces of approved infant cereal.
 - An exception would be that retailers who do not have any infants on the WIC program that utilize their store will be required to order infant formula, infant juice and infant cereal upon request of the participant or the WIC Program. Retailers must contact the State WIC Office to be granted an exception. The State WIC Office will verify through the Local Agency the absence of infants on the WIC Program for each retailer that requests the exception before it is granted.
 - The retailer must be able to supply the infant formula, infant juice and infant cereal within 24-48 hours. If the retailer is unable to supply the formula within the 24-48 hour time frame, the retailer must contact the State WIC Office to determine if an exception can be made to extend the 24-48 hour time frame to within five (5) days.
 2. A minimum of eight gallons of fluid milk in a combination of 1%, 2%, skim or whole milk, and stock evaporated, dry, lactose-reduced, acidophilus and goat's milk as requested by WIC customer or WIC Program. Specialty milks must be available within 72 hours.
 3. A minimum of two one-pound packages of two approved varieties of cheese.
 4. A minimum of four dozen medium / large fresh eggs.
 5. A minimum of two 46-ounce cans of 100% vegetable or tomato juice and twelve 12 ounce cans of frozen 100% fruit juice with a minimum of two flavors of stocked. Retailer agrees to stock 8-16 oz single serving approved juice as requested by the WIC Program or by the participant.
 6. A minimum of two one-pound bags of dried beans or peas, any variety; and stock 8 to 16 ounce canned beans/peas as requested by WIC customer or WIC Program.
 7. A minimum of two containers, 18-ounce size or less, 100% peanut butter.
 8. A minimum of four 6 to 6 ½ ounce cans of light tuna in either water or oil pack.
 9. A minimum of two pounds of either fresh or frozen carrots. Canned carrots must be stocked if requested by the WIC Program or the WIC customer.
 10. A minimum of two boxes each of four varieties of cold, ready-to-eat cereals and two boxes of hot cereal.
- B. The Retailer agrees to provide supplemental foods to PROGRAM participants only upon receipt of a properly completed food instrument and to complete the food instrument transaction properly. Refer to South Dakota Department of Health WIC Retailer Management Handbook for instructions. "Food Instrument" means the document which is used by a participant to obtain supplemental foods. To complete a food instrument transaction properly, the retailer agrees:
 1. To accept food instruments issued by the PROGRAM only for the designated food items and quantities listed on face of the document. The retailer may not charge, give cash, credit, or issue rain checks for WIC food instruments or refunds for WIC items purchased with WIC food instruments.
 2. To allow no substitute for those items listed on the food instruments. Additional foods, unauthorized foods, or non-food items, shall NOT be given to the customer.
 3. To charge a price for the supplemental foods that is no more than the current price charged to non-WIC customers.
 4. To charge a price for the supplemental foods that does not exceed its peer group value.
 5. To require the participants, parents and caretakers of infant and children participants, or proxies to present a WIC ID Pouch insuring identification and signature verification.
 6. To require the purchase price to be entered on the food instrument before the participant signs.

7. To not accept a food instrument prior to issue date or after expiration date.
 8. To deposit food instruments in a bank account within 45 days from date of issue.
 9. To handle transactions with WIC participants, parents/caretakers, or proxies in the same manner as all other customers.
 10. To be accountable for actions of employees in handling of food instruments or provision of supplemental foods.
 11. To record the store's WIC identification number in the designated space in each food instrument redeemed. This shall be accomplished by utilization of the PROGRAM issued retailer stamp.
 12. To enter the transaction date on each food instrument redeemed, either electronically or manually.
 13. To serve participants equally, regardless of race, color, national origin, age, sex or disability.
 14. To not apply sales tax of any kind to foods purchased with WIC food instruments.
 15. To allow no exchanges, except for food items that are defective, spoiled, or exceed their sell/use date and then only for the exact same brand, type and size of supplemental food item.
 16. To notify the PROGRAM if it is determined that 50% or more of the RETAILER's annual food sales for food stamp eligible food items will be derived from the redemption of WIC checks.
 - a. Retailers authorized after December 8, 2004, will be terminated unless participant access hardship is determined.
- C. The RETAILER must obtain prior approval and an authorization code from the State WIC Office before changing the amount on a WIC check returned to the Retailer by a bank. Upon obtaining that approval and authorization code from the State WIC Office, Retailer can re-submit the WIC check to the bank of first deposit.
- D. The RETAILER will not seek restitution from a participant for a food instrument not paid or partially paid for by the PROGRAM or bank. Nor will the RETAILER refer unpaid food instruments to a collection agency or third party for collection.
- E. The RETAILER will assure the manager or authorized representative at a minimum agrees to accept WIC retailer training at least once per contract period:
1. The RETAILER will ensure that employees are familiar with the terms of this Agreement.
 2. The RETAILER will be responsible for training all cashiers handling WIC authorized transactions, provide all employees with new information received from the program and be responsible for actions of its owners, officers, managers, agents, and employees which are contrary to this Agreement.
- F. The RETAILER agrees to provide time to any PROGRAM representative for periodic announced or unannounced visits to determine RETAILER compliance with program rules, regulations, and policies, allow access to shelf prices, inventory records and to inspect food instruments in Retailers possession and all program related records upon request. Inventory records are to be maintained for a period of three months.
- G. The RETAILER agrees to submit gross sales, food sales and Food Stamp sales information upon request with supporting documentation as necessary. Examples of supporting documentation include but are not limited to IRS Forms 1065, 1120, 1120S or 1040 Schedule C.
- H. The RETAILER agrees to retain all sales receipts for all WIC transactions for a period of six months and will make receipts available to the PROGRAM upon request.
- I. The RETAILER agrees to submit a WIC Foods Price List upon price increases, whenever requested or at a minimum of every (3) months.
- J. The RETAILER agrees that if more than 50% of its annual revenue is from the sale of food items for WIC food instruments, no incentive items or other free merchandise will be provided to the WIC customers unless the WIC PROGRAM pre-approves those items.
- K. The RETAILER agrees to comply with State WIC program's rules, regulations, policies and procedures and to comply with vendor selection criteria throughout the agreement period, including any changes to the selection criteria.

II. PROGRAM ABUSE AND SANCTIONS

- A. Abuse of the PROGRAM by the RETAILER is just cause for termination of this Agreement. Disqualification from PROGRAM will be based on the number of points accumulated or the severity of the sanction. Disqualified retailers may be considered having forfeited their authorization and if they seek reauthorization from the Program, Retailer will be required to apply for authorization after expiration of the disqualification period.
- B. A RETAILER previously assessed a sanction for violations included in E.1 to E.4 below who receives a second sanction for any of these violations, will receive a doubled sanction. A third sanction for these violations will result in the doubled sanction and no Civil Money Penalty will be allowed.
- C. A RETAILER with multiple violations in a single investigation shall be sanctioned or disqualified based on the most serious violation. The RETAILER will be notified of all violations detected during the investigation.
- D. The RETAILER shall be charged with points or disqualified, depending on the severity of the violation. Repeated Program abuse will result in a more severe sanction. A pattern, as used below, is defined as at least three (3) independent documented repeated violations of similar severity during compliance buys. A pattern does not need to be present when applying a 6 year or permanent disqualification (see E.3 and E.4 below).
- E. Disqualifications: The RETAILER will receive written notice by certified mail of disqualification and the length of disqualification from the PROGRAM as follows:
2. 1 year disqualification - Exhibiting a pattern of providing unauthorized food in exchange for Food Instrument, including charging for food in excess of those listed on the Food Instrument.
 3. 3 year disqualification:
 - a. Redeeming WIC food instruments for Alcoholic Beverages or Tobacco Products. Only one incidence is necessary for disqualification.
 - b. Exhibiting a pattern of claiming reimbursement in excess of documented inventory.
 - c. Exhibiting a pattern of overcharges. Overcharges is defined as charging more for food than the price charged other customers, charging more than the current shelf price, and charging for foods not received as detected during a compliance buy.
 - d. Exhibiting a pattern of charging for food not received by the participant.
 - e. Exhibiting a pattern of receiving, transacting, and/or redeeming Food Instruments outside of authorized channels including the use of an unauthorized vendor or person.

- f. Exhibiting a pattern of providing credit or non-food items, other than alcohol, tobacco, cash, firearms, drugs in exchange for Food Instrument.
4. 6 year disqualification - Retailer found trafficking food instruments or illegal sales by WIC investigation.
5. Permanent disqualification - Conviction of trafficking food instruments or selling firearms, ammunition, explosives or controlled substances in exchange for WIC food instruments
- F. Sanctions: The RETAILER will receive written notice of WIC Program violations and accompanying sanction points and/or disqualification from the Program as follows:
 1. 1-5 points — a warning letter.
 2. 6-10 points — a sanction letter and the RETAILER will be required to respond in writing within 15 days with justification.
 3. 11-20 points — a sanction letter and the RETAILER will be required to: (a) accept training by the Program Representative as soon as possible and within 3 months; and (b) respond in writing to the sanction letter within 15 days with justification.
 4. 21-25 points — written notification by certified mail of disqualification from the PROGRAM for 6 months.
 5. 26-or greater — written notification by certified mail of disqualification from the PROGRAM for 1 year.
- G. WIC Program Violations and Accompanying Sanction Points are:
 1. Check Redemption
 - a. Failure to stamp five food instruments with Retailer Identification Number (1 pt)
 - b. Using a RETAILER ID stamp not issued or approved by the Program (2 pts)
 - c. Depositing a food instrument 45 days beyond issue date (2 pts)
 - d. Failure to enter the transaction date on the bank and front of the check, either electronically or manually on the back, and manually on the front (2 pts)
 2. Reimbursement Accountability:
 - a. Failure to reimburse the PROGRAM for potential overcharges or provide explanation (3 pts each food instrument)
 - b. Seeking restitution from a participant for a food instrument not paid for by the Program (5 pts)
 - c. Failure to clearly identify shelf prices of WIC food items (5 pts)
 3. Stocking:
 - a. Stocking and/or selling authorized food that is not fresh (4 pts per food category)
 - b. Purchasing formula for sale from supplier other than those on the list of authorized distributors provided by the PROGRAM. (10 pts)
 - c. Unavailability of authorized food or insufficient quantities stock (1 detection = 4 pts, 3 detections = 10 pts, 5 or more detections = 15 pts)
 - d. Failure to supply within five (5) days, infant formula, infant juice, infant cereal, evaporated milk, or dry milk as requested by WIC customer or WIC Program (5 pts. per day)
 4. Cashier Check Out Procedures
 - a. Accepting a food instrument without requiring a WIC ID Pouch (2 pts)
 - b. Accepting food instruments before the issue date and after the expiration date (2 pts)
 - c. Accepting a pre-signed food instrument (2 pts)
 - d. Failure to obtain signature at the store (2 pts)
 - e. Failure to provide the WIC customer a sales receipt when requested (2 pts)
 - f. Failure to allow the purchase of the full or partial amount of food specified on the food instrument (2 pts)
 - g. Having a payee/alternate sign a food instrument without the “actual price” entered (4 pts)
 - h. Inappropriately changing “Actual Amount of Sale” box on WIC food instruments (5 pts)
 - i. Giving change on redemption of a food instrument (5 pts)
 - j. Charging sales tax on WIC purchased foods (2 pts)
 - k. Accepting or redeeming altered food instruments (8 pts)
 5. General:
 - a. Submitting the WIC Foods Price List with inaccurate or unacceptable data (2 pts)
 - b. Abusive or discriminatory treatment of WIC participants or WIC staff (4 pts)
 - c. Breach of confidentiality (i.e. contacting the WIC participant directly, requiring signature on separate document) (4 pts)
 - d. Failure to provide updated WIC Foods Price Lists when requested by the PROGRAM (1st request = 5 pts, 2nd request = 7 pts, 3rd request = 9 pts)
 - e. Accepting WIC food instruments prior to receiving a signed Retailer agreement or other written notification from the State WIC Office that the application will be approved (4 pts). Points will be assessed and payment will not be made for these WIC checks.
 - f. Failure to attend a training session per contract period and as required by the PROGRAM (10 pts)
 - g. Accepting WIC food instruments during a suspension period (11 pts)
 - h. Purchasing infant formula for resale from other than wholesaler, distributor or retailer on the approved list provided by PROGRAM. (10 pts)
 - i. Providing incentive items to WIC participants without pre-approval from PROGRAM. (10 pts)
 - j. Following authorization, increasing prices inconsistent with price increases by other authorized vendors in the service area (4 pts)
 - k. Failure to comply with other terms of the Vendor Agreement (4 pts)
- H. All points shall be accumulated and kept for one year following the end of the most current contract period. The PROGRAM reserves the right to take the retailer’s history and all circumstances into consideration before applying sanctions or disqualification of a RETAILER.
- I. A RETAILER who is disqualified from participation in the PROGRAM may request an administrative appeal hearing within 15 days from the date of notice of the adverse action. The effective date of disqualification is 15 days from notification date, regardless of appeal request.

- J. A RETAILER who commits fraud or abuse of the PROGRAM is liable to prosecution under applicable Federal, State or local laws. Section 104(b) of Public Law 105-226 Child Nutrition Reauthorization Act of 1998, amended 12(g) of the National School Lunch Act, to state those who willfully misapplied, stole or fraudulently obtained WIC funds shall be subject to a fine or not more than \$25,000 or imprisonment for not more than five (5) years or both, if the value of the funds is \$100 or more. If the value is less than \$100, then the penalties are a fine of not more than \$1,000 or imprisonment for not more than one (1) year of both.
- K. A RETAILER who has accumulated up to 20 sanction points may have their sanction points reduced in half by requesting and attending a training session within three (3) months. This reduction may be applied only once every six (6) months.
- L. PROGRAM will notify RETAILER in writing when an investigation reveals an initial violation for which a pattern of violations must be established in order to impose a sanction, and such notice will be provided before documenting another such violation. Notice, however, is not required if PROGRAM determines, at its discretion, that such notice could compromise an investigation.

III. DEPARTMENT RESPONSIBILITIES:

- A. Provide training to the RETAILER concerning WIC PROGRAM procedures at least once every year.
- B. Provide an interactive training to the RETAILER at least once during the contract period.
 - 1. Inform RETAILER of who at a minimum must attend training.
 - 2. Provide RETAILER with an alternative date on which to attend interactive training.
- C. Monitor the RETAILER for compliance with PROGRAM regulations.
- D. Provide RETAILER with a copy of the South Dakota Department of Health WIC Retailer Management Handbook with each signed agreement and provide RETAILER advance notice of changes to PROGRAM requirements before such changes are implemented.
- E. Deny payment to the RETAILER for improper food instruments or demand refunds for payments already made on improperly redeemed food instruments.
- F. Provide information regarding the retailer's participation with other government agencies including the Food Stamp Program.
- G. Terminate this vendor agreement if DEPARTMENT determines any of the following:
 - 1. The RETAILER has provided false information in connection with its application for authorization.
 - 2. The RETAILER is disqualified from the PROGRAM (See II.E and II.F above)
 - 3. The RETAILER failed to pass a reassessment, using selection criteria in effect at the time of the reassessment, during the agreement period.
 - 4. There is a conflict of interest between the Retailer and the Department or any of its local WIC sites.
- H. Maintain confidentiality of all information that individually identifies authorized retailers other than the retailer names, addresses and authorization status.
- I. Provide RETAILER a list, on an annual basis, of infant formula wholesalers, distributors, and retailers approved by PROGRAM.

IV. GENERAL CONDITIONS:

- A. Each party shall have the right to terminate this Agreement for cause giving at least 15 days written notice to the other. Upon termination the WIC Retailer Identification stamps will be returned to the PROGRAM.
- B. The PROGRAM will disqualify a RETAILER who is disqualified or issued a civil money penalty from any other Federal Food and Consumer Service Program, unless circumstances warrant an alternative action. Period of disqualification shall be for the same length of time, may begin at a later date and is not subject to review.
- C. The PROGRAM will disqualify a RETAILER based on sanctions unless circumstances warrant an alternative action. Civil Money Penalties may be applied by the PROGRAM if it is determined that disqualification would cause participant hardship. RETAILER that fails to comply with Civil Money Penalty shall be disqualified for the length of time corresponding to the sanction. Maximum Civil Money Penalty shall not exceed \$11,000. Civil Money Penalty will not be applied for third or subsequent sanctions.
- D. The PROGRAM may not accept voluntary withdrawal from the WIC Program as an alternative to disqualification.
- E. Food Stamp Program authorization shall be withdrawn from any firm which is disqualified from the WIC Program, based on any act which is a violation of WIC Regulations and is a misdemeanor or felony or which is a violation listed in 7 CFR, Section 278.1 (o)(1).
- F. The State WIC Office shall notify the appropriate local agency (ies), Food Stamp Program, and FNS Regional Office of the retailer's disqualification.
- G. A food retailer/owner who has a previous history of WIC/Food Stamp Program abuse, disqualification or civil money sanction within the past twelve (12) months will not be authorized as a WIC Retailer.
- H. A RETAILER who has been disqualified from participation or denied PROGRAM authorization has the right of appeal to the DEPARTMENT pursuant to the South Dakota WIC Administrative Appeal Procedure. Expiration of this Agreement is not subject to appeal.
- I. Retailers must comply with the retailer agreement and federal and state statutes, regulations, and policies as outlined in the procedures governing the program, including any changes made during the agreement period.
- J. The RETAILER shall immediately notify the PROGRAM when RETAILER ceases operation, changes location, or ownership changes. Any of these events will cause DEPARTMENT to terminate this Agreement and the owners will be required to complete the application process to be authorized as a WIC Vendor.
- K. Retailer shall not accept WIC checks if change of ownership has occurred and written notification has not been received from PROGRAM that an Agreement will be signed with the new owners.
- L. This Agreement is non-transferable. Any change in ownership or sale of business by the RETAILER will render this Agreement null and void.
- M. Retailers with an expired Agreement must reapply for continued authorization and shall be subject to the PROGRAM'S selection procedures at the time of reapplication.
- N. The PROGRAM reserves the right to amend Section II. Program Abuse and Sanctions, on an annual basis. Amendments will be made in writing and become effective five days after being sent by the PROGRAM to the RETAILER.

Program Abuse/Sanctions/Violations/Disqualification

Abuse of the program by the Retailer is just cause for termination of the Agreement. Disqualification from program will be based on a number of sanction points accumulated or the severity of the sanction. Refer to Retailer Management Handbook, page 9 Retailer Agreement Section II Program Abuse and Sanctions.

Disqualified Retailers may be considered having forfeited their authorization and if they see reauthorization from the Program, Retailer will be required to apply for authorization after expiration of the disqualification period.

Administrative Appeal

All Retailers participating in the Special Supplemental Nutrition Program for Women, Infants, Children (WIC) have the right to an administrative appeal when adversely affected by the State Agency's action.

Full administrative reviews:

Will be conducted for food Retailers who appeal the following adverse actions:

1. Denial of authorization based on Retailer selection criteria for competitive price or for minimum variety and quantity of authorized supplemental foods and/or on a determination that the Retailer is attempting to circumvent a sanction.
2. Termination of an Agreement for cause.
3. Disqualification.
4. Imposition of a fine or a civil money penalty in lieu of disqualification.

Abbreviated administrative reviews:

Will be conducted for Retailers who appeal the following adverse actions:

1. Denial of authorization based on State agency established Retailer selection criterion if the basis of the denial is a WIC Retailer sanction or a Food Stamp Program disqualification or civil money penalty for hardship.
2. Denial of authorization based on the State agency's established Retailer selection criteria if the basis of the denial is a retailer sanction or a Food Stamp Program withdrawal or authorization or disqualification.
3. Denial of authorization because a Retailer submitted an application outside the timeframes during which applications are being accepted and processed as established by the State agency.
4. Denial of authorization because Retailer food sales are expected to meet the 50% criterion, therefore they would be considered a WIC Only store.
5. Termination of an agreement because of a change in ownership or location or cessation of operations.
6. Disqualification based on a trafficking conviction.

7. Disqualification or a civil money penalty imposed in lieu of disqualification based on a mandatory sanction imposed by another WIC State agency.

Actions not subject to administrative review:

1. The validity or appropriateness of the State agency's Retailer limiting or selection criteria.
2. The validity or appropriateness of the State agency's retailer peer group criteria and the criteria used to identify retailers that are above 50% retailers.
3. The validity or appropriateness of the State agency's participant access criteria and the State agency's participant access determinations.
4. The State agency's determination whether a Retailer had an effective policy and program in effect to prevent trafficking and that the ownership of the Retailer was not aware of, did not approve of, and was not involved in the conduct of the violation.
5. Denial of authorization if the State agency's Retailer authorization is subject to the procurement procedures applicable to the State agency.
6. The expiration of a Retailer Agreement.
7. Disputes regarding WIC check payments and Retailer claims other than the opportunity to justify or correct a Retailer overcharge or other error.
8. Disqualification of Retailer as a result of disqualification from the Food Stamp Program.

The right of appeal shall be granted when the store's application to participate is denied or, during the course of the agreement, when the Retailer is disqualified or any other adverse action which affects participation is taken. Expiration of the Agreement with a food Retailer shall not be subject to appeal.

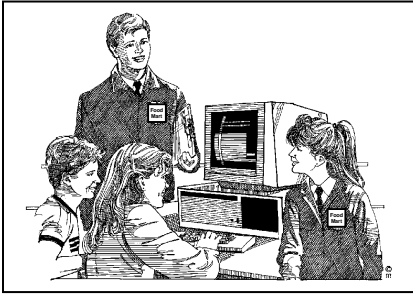
A Retailer's request for an administrative hearing must be submitted in writing within fifteen (15) days from notice of the adverse action to the South Dakota Department of Health, WIC Program, 615 East Fourth Street; Pierre, South Dakota 57501-1700. The request must identify the individual representing the Retailer and the decision to be appealed. Once a hearing request is received by the State, the individual will be forwarded a copy of the South Dakota WIC Administrative Appeal Procedure. The procedure outlines what is involved in the hearing process.

Within three (3) weeks from the date of receipt of request, a hearing will be held. At least ten (10) days advance written notice will be given to the Retailer, specifying the time and place of the hearing.

Appealing an action does not relieve a Retailer from the responsibility of continued compliance with the terms of the written Agreement with the State WIC Program.

The WIC Program and services are open to all eligible people regardless of race, color, national origin, age, sex or disability. Any person who believes he or she has been discriminated against should write immediately to the Secretary of Agriculture, Office of Equal Opportunity, USDA, Washington, DC 20250.

Training



Each authorized Retailer will be trained in proper WIC procedures during the initial Agreement meeting.

Each Retailer must designate a retail representative who is responsible for training store personnel to handle WIC transactions properly. The Retailer is responsible for any cashier errors.

The WIC Program's Retail Coordinator will provide on-site training to the store personnel upon request, to reduce sanction points, or as needed. Retail Coordinator is available to conduct the training sessions on a mutually agreed upon time and date. The retail representative is required to attend the training. A Cashier Training Module has been developed and is available upon request.

A Retailer who has accumulated 11-20 sanction points will be required to accept training by the WIC Program within three months of notification of the sanction points. A Retailer who has accumulated up to 20 sanction points may receive a Retailer training within three months and have the sanction points reduced in half. The reduction may only apply every six months.

The Retailer will be responsible to assure that all cashiers handling WIC authorized transactions will be trained in proper WIC procedure, provide all employees with new information received from the Program and be responsible for actions of its owners, officers, managers, agents and employees which are contrary to the WIC policies & procedures.

On-Site Visits

WIC Program staff that is responsible for administering WIC will periodically monitor the activities of each authorized WIC Retailer to determine compliance with WIC requirements and procedures. The Retailer must provide WIC officials reasonable access to the premises and to appropriate records and personnel upon request. At announced and unannounced on-site monitoring visits, the WIC Program representative may:

1. Verify the availability of the required minimum stock of WIC approved foods.
2. Verify the accuracy of prices charged on WIC checks and randomly review the checks on site to determine redemption irregularities.
3. Observe and/or interview store personnel to determine their knowledge of and compliance with WIC Retailer regulations and procedures.
4. Verify the presence of the authorized WIC decal in the front window of the store and an authorized WIC Food Shopping Guide brochure at each register.
5. Verify the expiration dates of WIC formula on the shelves. Any outdated formula will be reported to the manager. The manager will be responsible to remove all outdated formula from the shelf.
6. Visually verify the cleanliness and conditions of the store and monitor the refrigeration and freezer temperature.
7. Verify that no signs indicating special lines or prices are designated for WIC participants.



When problems are noted during any type of on-site visit, the store is expected to take corrective action to remedy problems within a specified time frame. All on-site visits are followed up by a letter from the WIC Program. In the letter, the problems are specified and a response to the letter may be requested. The Retail Coordinator is available to provide technical assistance and/or training if requested by the Retailer or if indicated by the on-site visit.

Authorized WIC Foods Price List

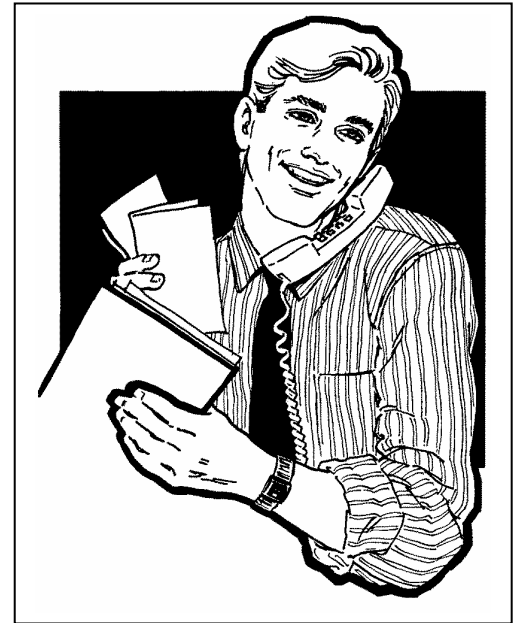
Retailers are required to submit a properly completed Authorized WIC Foods Price List to the State WIC Office at least every six months. The information recorded on the Price List is entered on a computer system. Every six months a price list will be sent from WIC State Office showing retailer's current prices for WIC foods. Retailer is to verify these prices and make any changes to the right of the typed price. The retailer is responsible to notify the WIC Program of significant price increases. Significant price increases should be submitted on the WIC Foods Price List Update form provided by the State WIC Program.

The WIC Program reviews redeemed checks. The information from the Price List is utilized to compare pricing of each check accepted at a retailer.

If there are differences found or if the amount of the check is higher than the maximum allowed, the WIC check will be returned to the retailer for handling. Because the WIC customer can always purchase less than the quantity listed on the WIC check, under redemptions are not sent to the retailer for follow up.

The retailer is required to respond to each WIC processing error, by contacting the WIC Program. In some cases alteration of the WIC Check will be required for processing error and in other cases, a written explanation or update of the WIC Foods Price List is necessary.

Because the information on the WIC Foods Price List is used to detect processing errors and prices of the maximum allowed, it is very important that it is accurate and current.



South Dakota Department of Health WIC Program Authorized Food Price Lists

Store Name: Application

Due: 09/01/2006

WIC ID Stamp #: 0000

City: Anywhere

Phone #: 605

Infant Formula

Liquid Concentrate UPC/Price

Powdered UPC/Price

Ready To Feed UPC/Price

Alimentum Advanced		16 oz.	70074576640	\$	1 qt	70074575131	\$
Bright Beginning Soy Pediatric Drink RTF					8 oz.	683744350091	\$
Enfamil AR LIPIL		12.9 oz.	300870201423	\$	1 qt		\$
Enfamil Enficare Lipil		12.8 oz.	300870019448	\$			
Enfamil Gentlease LIPIL		12 oz.	300878693428	\$			
Enfamil Iron	13 oz.	14.3 oz.	300870301017	\$			
Enfamil LIPIL Iron	13 oz.	12.9 oz.	300871272415	\$	1 qt	300871271432	\$
Enfamil Lactofree Lipil	13 oz.	12.9 oz.	300870614414	\$	1 qt	300870615411	\$
Enfamil LIPIL Low Iron		12.9 oz.	300870330741	\$	1 qt	300870302748	\$
Enfamil Next Step LIPIL		12 oz.		\$			
Enfamil Next Step ProSobee LIPIL		12 oz.		\$			
Ensure Plus Ready To Feed					8 oz.		\$
Good Start 2 Essentials	13 oz.	12 oz.	5000012041	\$	1 qt	50000-12001	\$
Good Start 2 Supreme W/DHA ARA		12 oz.	5000003753	\$			
Good Start 2 Supreme Soy DHA ARA		12 oz.	5000080224	\$			
Good Start Essentials		12 oz.	5000061207	\$			
Good Start Supreme	13 oz.	12 oz.	50000120611	\$	1 qt	50000120512	\$
Good Start Supreme w/DHA-ARA	13 oz.	12 oz.	50000216697	\$	1 qt	50000216703	\$
Good Start Supreme w/DHA-ARA Soy	13 oz.	12.9 oz.	50000034574	\$	1 qt	50000034598	\$
Neocate Infant		14 oz.	4973500804	\$			
Nutrigen LIPIL	13 oz.	16 oz.	300870498014	\$	1 qt	0087-049901	\$
Pediasure Any Flavor					8 oz.		\$
Pediasure With Fiber					8 oz.	70074580630	\$
Peptamin Jr					8.45 oz.	0087-038701	\$
Portagen		16 oz.	300873101447	\$			
Pregestimil		16 oz.	300871195417	\$			
ProSobee	13 oz.	14.3 oz.	870309012	\$			
ProSobee LIPIL	13 oz.	12.9 oz.	302123311620	\$	1 qt	70074577104	\$
Resource Just for Kids 1.5 Cal, Fr. Van.					8 oz.	70074569741	\$
Similac 2 Advanced		12.9 oz.	70074559629	\$			
Similac Advanced Iron		12.9 oz.	70074577616	\$	1 qt	70074514796	\$
Similac Iron	13 oz.	12.9 oz.	70074577630	\$	1 qt		\$
Isonul	13 oz.	12.9 oz.	70074569765	\$	1 qt	70074559643	\$
Isonul 2 Advanced		12.9 oz.	70074559681	\$			

WIC Checks and ID Pouch

This is an example of what a WIC check may look like. Checks will be computer printed, typed, or may be handwritten. No matter how the check is written, the following information must always be present.

1. The top line on the check shows the Local Agency code, family number, client number, the name of the person for whom the check is made out to, and the issue and expiration date, and a box for the retailer to hand write in the date of use, meaning the date the check is cashed in the store.
2. The middle of the check names the foods that can be purchased with the check. However, WIC customers may purchase less than the full amount shown or not purchase some items at all if they so choose, but never more than the specified amounts.
3. The left side of the check has a box labeled ``Not valid without SD WIC Retailer Stamp Here." Each Retailer has a stamp with an assigned number that must be used in this box to endorse the check. This may be done at the time of the transaction or at a later time, depending on each store's policy.
4. On the right side of the check is a space where the customer writes in the amount for all the WIC foods purchased with the check.
5. After the purchase price is entered, the customer must sign the check on the line in the lower right space.

STATE OF SOUTH DAKOTA DEPARTMENT OF HEALTH WIC PROGRAM			95002348	
AUX			Issue Date	Expiration Date
6177	Authorized Payee	Sam Test	09/10/2007	10/09/2007
19915	Client	Test T Testing		
			Date of use	
Not Valid Without SD WIC Retailer Stamp Here	For These Items Only 1 13-oz Can Enfamil Iron Liquid Conc. - 0000870301016		Dollars	Cents
			\$	
			DEPOSIT WITHIN 45 DAYS OF ISSUE DATE	
South Dakota WIC				
IMPROPER USE OF THIS FOOD INSTRUMENT IS SUBJECT TO STATE AND FEDERAL PROSECUTION				
FIRST PREMIER BANK				
SIOUX FALLS, SOUTH DAKOTA				
SIGNATURE - NOT NEGOTIABLE UNLESS SIGNED WIC ID REQUIRED				

⑈95002348⑈ ⑆091408598⑆ 1701275429⑈

WIC checks must always be accompanied by a WIC ID Pouch. The front of the WIC ID Pouch shows the names of who can cash the check. One of the signatures on the WIC ID Pouch must match the signature on the bottom right of the check. Sometimes a person other than a parent or guardian (payee) may be authorized to sign the check. Such a person is referred to as an alternate and that person's signature will be on the WIC ID Pouch. A participant may have two alternates.

Check Out Procedures

It is important that Retailers and their clerks understand and follow the correct WIC check cashing procedures. The following guidelines must be observed when handling WIC checks:

- 1. Handle each WIC check as a separate transaction. DO NOT combine food items from one check to another.**
- 2. Check the date of issue.**

WIC checks are valid only from date of issue through the expiration date. Do not accept checks from WIC customers before the issue date or after the expiration date as indicated on each WIC check. If a WIC customer attempts to cash an outdated check, put an “X” in the “Actual Amount of Sale” box and instruct the WIC customer to return it to their WIC office. WIC checks submitted for payment that have been cashed prior to the issue date or cashed after the expiration date will be returned to the retailer as rejected for payment. **The Retailer may not seek restitution from a WIC customer for a check not paid for by the Program.**



- 3. Request to see the WIC ID Pouch.**

Compare the signature on the WIC ID Pouch with that on the food check. This will eliminate any checks from being returned to the retailer for missing signature. If any WIC check is submitted for payment without the WIC customer signature, the check will be returned to the retailer.

- 4. Verify selected items.**

Compare the items and quantities selected with the information on the face of the check. Only the indicated items and quantities may be purchased with the WIC check. No changes can be made to the check such as increasing the amount of food or adding a food not originally listed on the check. If a check has been altered, put an “X” in the “actual amount of sale” box and instruct the WIC customer to return it to their WIC Office. WIC customers may not buy more than the total quantity indicated on the check. They may buy less than the quantity listed on the checks, but they cannot receive anything else in exchange.

5. Request WIC customer to enter the Purchase Price.

The WIC customer must write in ink the actual purchase price of the prescribed foods in the box labeled “Actual Amount of Sale”.

Cashier should verify amount entered for accuracy. If the WIC customer makes an error when entering the actual cost of foods purchased on a WIC check, it may be corrected by the WIC customer or cashier by:

- Drawing a single line through the incorrect price.
- Entering the correct price, clearly and legibly, in the space below the actual sale box.
- Have WIC customer initial next to the corrected amount.

If an error is identified after the WIC customer leaves the store, the Retail Coordinator must be contacted to authorize approval for alteration by the Retailer (see page 3 of handbook for telephone number).

Foods purchased on WIC checks are exempt from sales tax.

Retailers must respond to check processing error notices by contacting the State Office, the Retail Coordinator or the Retail Specialist in the Program. The Retailer will be allowed to alter the amount of the check by the overcharge of the sales tax, by calling the State office and receiving an approval.

6. Witness and Verify Signature

Do not accept a WIC check if the purchaser does not have a WIC ID Pouch. Do not accept a pre-signed check. Compare signatures on the check and the WIC ID Pouch.

If the cashier fails to obtain the signature, contact the local WIC office or Retail Coordinator. They will attempt to assist the Retailer in obtaining the WIC customer's signature. Do not deposit the check until signed. The Retailer is liable for any checks incorrectly redeemed. **It is the Retailer’s responsibility to obtain a signature from the customer at the time of the transaction.**

7. Endorse WIC Check

The Retailer must place their Retailer identification number on the face of each check in the indicated area, as well as endorse the check back before cashing. All WIC checks must be deposited within forty-five (45) days from the date of issuance.

8. Enter Transaction date

The Retailer must enter the transaction date on each WIC check redeemed, either electronically or manually on the back of the WIC check and manually on the front of the WIC check.

9. Rain Checks

Rain checks may not be issued in any circumstances.

WIC Check Processing Error Detection and Handling

Each month the WIC Program must review checks transacted at a Retailer. Program utilizes the Retailers' submitted WIC Foods Price List to flag those checks which appear to be a processing error or above the maximum amount allowed per check per peer group.

The State's bank will return to the Retailer all checks that are found to have processing errors or any check that is cashed for over the maximum amount allowed. The Retailer must address every check that is returned. The Retailer should take the following steps:

Processing Errors: The pre-edits for all WIC checks that are returned will be stamped on the check. The reasons for return are as listed, no signature, no WIC ID stamp, unreadable WIC ID stamp, altered purchase amount without authorization, checks that exceed maximum amount, checks submitted for payment forty five (45) days past the issuance date, missing purchase date, food prescription altered, check presented for payment prior to the issue date or after the expiration date.

1. Review the foods listed on the check against the submitted WIC Foods Price List.
 - Verify items listed on WIC checks have been entered on Price List
 - Occasionally tax may have been charged in error.
 - Amounts allowed to be purchased may have exceeded the quantities specified on the check
 - Occasionally the bank will make an error in reading the amount of the check — verify with MICR number in lower right hand corner of check.
 - Call the State WIC Office to obtain an authorization code to alter checks that have been returned to you from bank.
 - Redeposit to the bank with authorization code for payment.
 - Update and submit any new or missing information on the WIC Foods Price List Update form which is supplied by the State WIC Program.
 - If applicable, adjust over maximum amount allowed to be within peer group pricing. The State office will notify the retailers in their peer groups of any over maximum prices per food item.